

GOVERNMENT OF TELANGANA
ABSTRACT

Revival of industries – Revival of M/s. Ballarpur Industries Limited (BILT), Kamalapur, Warangal District and extension of certain incentives – Orders – Issued.

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INDUSTRIES AND COMMERCE (IE,SUGAR & IFR) DEPARTMENT

G.O.MS.No. 91

Dated: 14/12/2015

Read the following :

1. From M/s. Ballarpur Industries Limited, Lr.No. BILT/KPM/2015/Govt/Inds/02, dt. 4.4.2015 and 26.10.2015..
2. From the Chairman & Managing Director, Singareni Collieries Company Limited, Hyderabad Letter No. Hyd/MKT/FSA/6285/259, dt. 27.4.2015.
3. From the Chairman & Managing Director, Telangana State Northern Power Distribution Company, Letter No. CMD/NPDCL/EHT/Tariff/D.No.44 & 297 dt. 28.4.2015 and 1.8.2015
4. Government Note, dt: 17.8.2015 of Industries and Commerce Department.
5. Government Letter No. 10209/IE,Sugar & IFR/2014, dated:21.9.2015.

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O R D E R:

M/s. Ballarpur Industries Limited (BILT) was incorporated on 18.3.1975 at Kamalapur, Warangal District. Due to market/customer related reasons, prevailing international market of Rayon grade pulp and the cost structure prevailing in India for pulp manufacturing units, the said unit was shut-down in 2014.

2. The Government have reviewed the long pending issues pertaining to M/s. Ballarpur Industries Limited, Kamalapur, Warangal District and decided to work out the feasibility of its revival.

3. Accordingly, based on the request of the company and facts made available by Telangana State Northern Power Distribution Company Limited, Singareni Collieries Company Limited and Telangana State Forest Development Corporation, the Government hereby extend the following incentives to M/s. Ballarpur Industries Limited, Kamalapur, Warangal District, subject to fulfilment of conditions mentioned therein, for its revival:

- 1) For extending supply of 3 MW, over and above the existing 1 MW, at 25% of the normal tariff, subject to actual usage of power for paper production, would imply a maximum subsidy of Rs.8.80 crore or Rs.9.00 crore per annum to be paid to Telangana State Northern Power Distribution Company;
- 2) For supplies to be made from Telangana State Forest Development Corporation to Ballarpur Industries Limited, for exclusive use for production at Kamalapur factory, a total consolidated subsidy of Rs.21.00 crores per annum will be released to Telangana State Forest Development Corporation towards supply of Pulpwood (Eucalyptus and Bamboo), upon confirmation from the company towards actual production of paper to this affect. The actual cost of the Pulpwood will be based on the discovered price by Telangana State Forest Development Corporation duly taking into consideration the prevailing market price and what is being supplied to other similar placed companies in Telangana and other neighbouring states including Andhra Pradesh and subject to confirmation by the unit to Telangana State Forest Development Corporation of actual production of paper from the pulpwood, to be eligible for any subsequent tranche to pulpwood supply;
- 3) Thus, a total subsidy towards the above mentioned items, not exceeding Rs.30.0 crores per annum will be provided for by the Government under Industrial Infrastructure Development Fund (IIDF) to the Ind & Com Deptt., and the same will be released by Commissioner of Industries to Telangana State Northern Power Distribution Company Limited and Telangana State Forest Development Corporation based on the actual consumption/ usage and in the manner prescribed as mentioned in 3(1) & 3(2) above;

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- 4) The industry should enter into an enforceable agreement regarding their commitment for providing employment to atleast the same number of local employees that existed at the time of closure and also not link it with the incentives from Andhra Pradesh Government or any other source;
 - 5) Since the unit has not given a revival plan nor technical appraisal regarding the revival of unit in a time bound manner, these set of incentives shall be processed, subject to actual production, for a year by which time industry will have to submit its revival plan and confirm its financial viability and that it has also tied up raw materials etc., on a long term basis, failing which these incentives will be discontinued;
 - 6) Subject to fulfilment of the items mentioned at 3(3), 3(4) & 3(5) above and subject to maintaining satisfactory levels of production, the incentives for power at 3(1) shall be available for a period of seven (7) years and the subsidy towards supply of pulpwood mentioned at 3(2) above shall be available for five (5) years and industry should make immediate arrangements for continuation availability of pulpwood for future requirements to sustain the production;
4. The Commissioner of Industries, Hyderabad shall take necessary further action in the matter accordingly.
5. This order issues with the concurrence of Finance Department vide their U.O. No.849/368/EBS.VII/I&C/2015, dated:01.12.2015.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

ARVIND KUMAR
SECRETARY TO GOVERNMENT & CIP

To
The Commissioner of Industries, Hyderabad.
The Chief General Manager, M/s. Ballarpur Industries Limited,
Kamalapur Unit, Mangapet Mandal, Warangal District.
The Chairman & Managing Director,
Singareni Collieries Company Limited, Hyderabad.
The Chairman & Managing Director,
Telangana State Northern Power Distribution Company Ltd, Warangal.
The Vice Chairman & Managing Director,
Telangana State Forest Development Corporation, Hyderabad.

Copy to:

The Chairman & Managing Director/Chief Operating Officer,
M/s. Ballarpur Industries Limited, Gurgaon, Haryana.
The District Collector, Warangal.
P.S. to Addl.Prl.Secretary to Hon'ble Chief Minister.
P.S. to Hon'ble Deputy Chief Minister & Minister for Education.
P.S. to Hon'ble Minister for Industries.
P.S. to Chief Secretary to Government.
P.S. to Spl.Chief Secretary to Government, Finance Department.
P.S. to Secretary to Government & CIP, Ind & Com Dept.,
The Finance (EBS.VII) Department.
The Energy Department.
The Environment, Forest, Science & Technology Department.
SF/SC.

//FORWARDED :: BY ORDER//

SECTION OFFICER